

Exeter TIF Efforts



The EDC and various stakeholders including the Board of Selectmen have been reviewing various options in recent years regarding TIF (Tax Increment Financing) for Exeter. This method of development, which creates special financing districts funded by tax dollars to make improvements in those districts, is governed by NH RSA 162-K.

What is a TIF?

A TIF, or tax increment financing district, is a special district, encompassing a specific area of the town, that is formed to provide specific funding for the targeted area to fund infrastructure improvements.

WHAT AREAS OF TOWN HAVE BEEN LOOKED AT FOR A POSSIBLE TIF DISTRICT?

In 2013, a TIF subcommittee reviewed the potential for a TIF in the downtown area. Epping Road has also been discussed as a potential area for a TIF.

Where does the Funding for A TIF come from?

The funding for TIF related projects comes from new and/or incremental development in the district. For example, today a vacant lot is valued at 1 million dollars. After development (assuming a commercial or residential building), the lot is now valued at 9 million dollars, and this value has been included as part of the TIF. The Town can capture the incremental value of the property improvement (8 million dollars) as part of the new TIF district value, which is then taxed at the current property tax rate (minus the school education tax, which is reserved). In this example, the 8 million dollars in new value is multiplied by the town, school and county tax rate (23.46 per 1,000 in Exeter), and would generate \$187,680 in annual revenue to support TIF District improvements.

Does the TIF divert tax dollars away from other Town needs.

No. The TIF generates revenues only on incremental increases in value, so no tax dollars are diverted from current town, school, county, or state education taxes.

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Have other NH communities adopted TIFs?

Yes. Several NH communities, including Newmarket, Rochester, Raymond, Derry, Durham, Peterborough, and Keene, have adopted TIF Districts as part of their overall development strategies. The attachment below highlights some of these efforts, and the reasons the TIF was utilized in those communities.

Who approves the TIF?

In Exeter, the TIF would have to be ultimately approved by Town voters, through a warrant article, on the annual town warrant.

How is the TIF governed?

The RSA (162) that allows for the TIF sets up a TIF Advisory Board that oversees funds that are dedicated to making the improvements within the district. RSA 162-K also describes the TIF process, including required public hearings prior to bringing a TIF forward to place on a Town Warrant.

Is the TIF permanent?

Typically, no. A TIF only lasts as long as needed for the improvements to be made. Once the improvements are completed, the TIF "sunset" and any revenues generated going forward go to the Town's general fund.

I have questions. Who do I contact?

Questions on tax increment financing can be directed to Economic Development Director Darren Winham at [dwinham \[at\] exeternh \[dot\] gov](mailto:dwinham@exeternh.gov) or by phone at 603-773-6102.

Where can I find more information?

Various city/town websites like those mentioned include information on their TIF programs.

Supporting Documents



[TIF Plan Draft Document](#)



[Draft TIF Boundary for Downtown Exeter](#)



[NH RSA 162-K](#)



[Exeter Master Plan Downtown - Related Recommendations](#)



[Proposed Properties for Central Area Downtown TIF District](#)

Web Links

[NH Office of Emergency Planning TIF Document](#)

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